Although the basis of the rejections is not clear, the Applicant submits remarks to advance prosecution, as follows.

1. Discuss the claimed component in relation to the overall system of the present invention, thereby providing a line of demarcation between this and the related cases.

2. Read the claims on the specification.

3. Discuss differences over Yoshida (item AA); Dethloff (item AB); Nakano (US Patent No. 4,839,504) and WO 83/0301 (two references cited in the examination report of item AK); Remery (item AL) and The Society (item AM) of the FORM PTO-1449 filed in the August 30, 2002 IDS.

4. Regarding the Grounds of Opposition, the Applicant asserts that the Opposition Submission, dated September 22, 2000, filed with the EPO by the Applicant as a response to the Grounds of Opposition discusses the differences between the claimed present invention and the references relied upon in the Grounds of Opposition (i.e., item AC of Attachment 1(g) of the August 30, 2002 IDS, 5 pages, on Haseltine Lake & Co. European agent letter head submitted to the European Patent Office in the counterpart European Patent No. 0416916 of the above-identified US patent application). A copy of such Opposition Submission was filed with the USPTO with the August 30, 2002 IDS (item AC of Attachment 1(g)). Further, the Applicant has received no communication from the EPO since the Applicant's September 22, 2000 Opposition Submission as the reply to the Grounds of Opposition.

DISTINCTIONS OF THE CLAIMED INVENTION OVER THE PRIOR ART

A. The claimed present invention: The present invention in relation to the overall cashless system of the present invention (using recitation of claim 1 as an example) is directed to a business model using "transferring an amount of money responsive to the amount transferred to the medium to a non-settled account of the financial institution" for cashless monetary transactions. See, claim 1.

In particular, a bank non-settled account has a benefit of allowing identityless cashless monetary transactions in which electronic money is cash equivalent, because an account of a seller is settled by transferring to the account of the seller an amount of money from the non-settled account of the bank responsive to the electronic monetary and bank information stored in a sales tallying file of the seller. See, claim 2. Therefore, the present invention only uses electronic money and corresponding bank information, and not buyer information, during cashless monetary transactions between the buyer and any seller (i.e., two or more, or any

number of, sellers), and any seller can accept any electronic money.

B. Support in the specification: Support for the claims can be found in Figures 4 and 10, and description thereof on page 38, line 24 to page 45, line 8.

Further, page 45, line 7 to page 57, line 12 describe processing according to the present invention by each unit of the system, the processing having a benefit of accommodating cashless commercial transactions with two or more sellers in which electronic money is cash equivalent (i.e., can be accepted by any seller).

C. Prior art of record

Yoshida

In Yoshida, a money amount corresponding to the commodity price is transferred from an account of the user at a branch office of a bank to a bank account of a shop at a branch office of a bank (column 3, lines 49-64). Therefore, Yoshida does not disclose or suggest the present invention's claimed "cashless electronic money transaction method" based upon "a non-settled account of the financial institution."

Dethloff

Dethloff relates to a secure identification card (Abstract). Dethloff does not disclose or suggest the present invention's claimed "cashless electronic money transaction method" based upon "a non-settled account of the financial institution."

Nakano

Nakano discloses an IC card system in which the bank maintains user/client deposit accounts and user IC card accounts to accommodate transactions with the IC card (Abstract, FIG. 1, column 3, lines 28-41). In Nakano's FIG. 9, the IC card account at the bank 1a is not same as the present invention's "non-settled account of the financial institution," because the IC card account corresponds to a user, and, thus, the user IC card account is used to transfer electronic money amount (x) from the IC card account to another deposit account (column 9, lines 24-68 and steps A71g-h).

Accordingly, Nakano does not disclose or suggest the present invention's claimed "cashless electronic money transaction method" based upon "a non-settled account of the financial institution."

WO 83/03018

In contrast to the present invention, WO 83/03018 discloses and relates to a portable device for storing and transferring funds for use in a fund transfer system based upon a plurality of identifying characteristics of the user stored on the portable device (Abstract). Accordingly, WO 83/03018 does not disclose or suggest the present invention's claimed "cashless electronic money transaction method" based upon "a non-settled account of the financial institution."

Remery

Remery, on pages 18-23 discloses a coin purse card system. In Remery, page 20-23, the coin purse (card) of the bank is debited with 100F when a consumer buys 100F of money and the bank's coin purse is credited 1000F from a provider's coin purse when the provider redeems/repays electronic money received from the consumer. See also, diagram 4, counter bank B1-Bn.

However, the present invention's claimed "non-settled account of the financial institution" differs from Remery's bank coin purse. Remery discloses electronic money circulation by coupling three coin purses for a bank, a consumer and a provider. In Remery, electronic money is transferred from the bank's coin purse to the consumer's coin purse. At purchase time, the electronic money is transferred from the consumer's coin purse to the provider's coin purse. Then, the provider transfers its electronic money to the bank's coin purse (i.e., crediting the bank's coin purse), and then the bank transfers money equal to the received electronic money to the provider's bank account.

In contrast to Remery, the present invention's "non-settled account of the financial institution" reflects an actual amount of money or non-settled fund amount information. In the claimed invention, the bank transfers "an amount of money ... to a non-settled account of the financial institution" at the time electronic money is transferred to the consumer's coin purse. In the claimed invention, at purchase time, monetary information from the consumer's electronic medium is transferred to a provider's sales tallying file. Then, the bank uses the provider's sales tallying file to settle the provider's bank account from the bank's "non-settled account of the financial institution" (i.e., "transferring to the account of the seller from the non-settled account of the first financial institution an amount of money responsive to the monetary information stored in the sales tallying file corresponding to the first financial institution", claim 5). See also, claim 2.

Further, Remery cannot accommodate the present invention's benefit of allowing identityless monetary cashless transactions with two or more sellers in which electronic money is cash equivalent. Remery's system disclosed on pages 20-23 and Diagram 4 discloses a single counter money issuer. Therefore, in Remery, the provider's electronic money and the consumer's electronic money have to be compatible (i.e., issued by the same money issuer, see Diagram 4), because Remery requires transfer of electronic money from the consumer's coin purse to the provider's coin purse and then crediting the bank's coin purse from the provider's coin purse. Remery by requiring transfer of electronic money from the consumer's coin purse to the provider's coin purse is not a true identityless cashless monetary transaction system with two or more sellers in which the electronic money is cash equivalent, because a provider in Remery's system has to maintain two or more coin purses for each authority that issues electronic money. Therefore, in Remery the electronic money is not cash equivalent.

In contrast to Remery, the present invention because of using "a non-settled account of the financial institution," has a benefit of allowing an identityless electronic cash payment to any provider (seller), which can accept any electronic money, thereby the electronic money being cash equivalent.

The Society (A report by the society for the study of the commercialization of IC cards)

In contrast to the present invention, the Society contemplates an electronic cash transaction system based upon user account information, thereby not disclosing or suggesting the present invention's claimed "cashless electronic money transaction method" based upon "a non-settled account of the financial institution." See, page 7, security measure 4; page 15, lines 15-18 referring to crediting an account of a store and debiting an account of a monitor, simultaneously, by a general batch process; page 16; page 24 regarding a user IC account; page 27, lines 21-25; and page 30.

D. Prior art relied upon in the counterpart European Patent No. 416916 opposition

The arguments from the Opposition Submission, item III(vii and viii) explain the patentably distinguishing features of the claimed invention over E1: EP 0 316 689 and E2: DE 34 06 615 cited in the Grounds of Opposition, and, thus, are not entirely repeated here.

In particular, neither of the cited documents E1 and E2 discloses a system, in which amount information transferred from a bank account is stored on a cashless medium and a cardholder makes a purchase by using the amount information stored on the cashless medium.

E1 discloses that an IC card is used as a kind of multi-purpose credit card or cash card,

in which four credit or deposit accounts are maintained on the same IC card. It goes without saying that cash card transactions (deposits and withdrawals) are completed by subtracting/adding a specific amount from/to a cardholder's account file, while in credit card transactions, a bill is settled by subtracting an amount corresponding to a purchase price from a cardholder's account file and by adding the amount corresponding to the purchase price to a store's account file.

Thus, a cardholder's account and a store's account, that is, account files of the parties concerned in transactions are essential to settlement in ordinary cash card/credit card transactions, and there is no need to provide any other file.

Meanwhile, the present invention relates to a system in which the cashless medium stores actual monetary value, as mentioned above. That is, amount information transferred from a cardholder's bank account is stored in memory within the card and a cardholder can make a purchase by using the stored amount information in much the same way the cardholder buys an article for cash. The present invention comprises a non-settled fund file for storing the transferred amount information in a center device of the system.

E1 does not disclose such a system, but presupposes that an IC card is used only as a common credit card or cash card. Therefore, unlike the system of the present invention, the system as disclosed in E1 does not have to provide a center device with a non-settled fund file for storing amount information.

Furthermore, there is no reason to incorporate a file for outstanding transactions, as disclosed in E2, into the E1 system since such a file is not necessary for the E1 system. Therefore, it is not obvious for a skilled person to incorporate a file for outstanding transactions, as disclosed in E2, into the E1 system.

In any case, E2 does not suggest that a file for outstanding transactions is a non-settled fund file. The file for outstanding transactions, as disclosed in E2, is a file for storing transaction data for a specific grace period. That is, the purpose of the invention of E2 is to provide a grace period between transaction and payment when using a bank card (cash card): see page 1, lines 31-36. Thus, the file for outstanding transactions only has the function of controlling a time limit for settlement, and does not correspond to the non-settled fund file for storing transferred amount information in a center device.

E2 does not disclose the concept of the present invention, according to which amount information transferred from a cardholder's bank account is stored in memory within a card and

a cardholder makes a purchase by using the amount information stored in the memory. Naturally, as a result, the system as disclosed in E2 does not have a non-settled fund file for storing such amount information in a center device.

To summarize, therefore, even a combination of E1 and E2 could not lead a skilled person to the claimed invention. The claimed features in total produce an electronic cashless system which is distinct from conventional cash card and credit card systems and which cannot be derived in an obvious manner from prior art (such as E1 and/or E2) in the realm of such conventional systems.

CONCLUSION

The references of record do not disclose or suggest the patentably distinguishing feature, "transferring an amount of money responsive to the amount transferred to the medium to a non-settled account of the financial institution" (claim 1). The foregoing rejections are traversed. Therefore, withdrawal of the rejection of claims 1-7 and allowance of claims 1-7 is respectfully requested.

Attached hereto is recitations of the pending claims. The attached page is captioned "**Recitations of all pending claims**."

If there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

Respectfully submitted,
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RECITATIONS OF ALL PENDING CLAIMS

IN THE CLAIMS

Recitation of all pending claims is provided for reference convenience

1. A cashless electronic monetary transaction method, comprising

transferring to an electronic medium through a transfer terminal monetary information from a financial institution representing an amount of money available to a holder of the medium and requested by the holder; and

transferring an amount of money responsive to the amount transferred to the medium to a non-settled account of the financial institution.

2. A cashless electronic monetary transaction method, comprising:

transferring to an electronic medium through a transfer terminal monetary information from a financial institution representing an amount of money available to a holder of the medium and requested by the holder;

transferring an amount of money responsive to the amount transferred to the medium to a non-settled account of the financial institution;

performing a monetary transaction with the holder using the medium through a point of sale terminal of a seller and changing the monetary information on the medium responsive to the monetary transaction without identifying the holder; and

posting the change to the monetary information to a sales tallying file in the point of sale terminal and to the non-settled account of the financial institution responsive to the changing.

3. The method according to claim 2, wherein the point of sale terminal receives from the medium bank information of the monetary information.

4. The method of claim 2, wherein the sales tallying file identifies financial institutions and stores monetary information corresponding to each financial institution.

5. A cashless electronic monetary transaction method, comprising:

transferring to an electronic medium through a transfer terminal monetary information from a first financial institution representing an amount of money available to a holder of the medium and requested by the holder;

transferring an amount of money responsive to the amount transferred to the medium to a non-settled account of the first financial institution;

performing a monetary transaction with the holder through a point of sale terminal of a seller;

changing the monetary information on the medium responsive to the monetary transaction without identifying the holder;

posting the change to the monetary information to a sales tallying file in the point of sale terminal identifying financial institutions and storing monetary information corresponding to each financial institution; and

settling an account of the seller by transferring to the account of the seller from the non-settled account of the first financial institution an amount of money responsive to the monetary information stored in the sales tallying file corresponding to the first financial institution.

6. The method according to claim 5, wherein the settling is performed by a central clearing device coupled to financial institutions.

7. The method according to claim 5, wherein the settling further comprises exchanging billing information with a second financial institution corresponding to the monetary information stored in the sales tallying file.